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(202) 551-1730  
[michellecohen@paulhastings.com](mailto:michellecohen@paulhastings.com)

April 8, 2005

29270.91143

**VIA ELECTRONIC MAIL**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 200554

Re: Integra Telecom, Inc.: System Audit Report Filing

Dear Madame Secretary:

In accordance with Sections 64.1310(a) and 64.1320(b) of the Commission's Rules, Integra Telecom, Inc. ("Integra") hereby submits its System Audit Report respecting its Pay Telephone Call Tracking System.

Integra hereby respectfully requests an extension of time through today to file this System Audit Report. Integra required the additional time in order to find a qualified third-party auditor and provide it adequate time to compile the necessary information and compile an accurate and complete audit report.

This filing contains the Independent Accountant's Report and Management's Representation to the FCC, and an FCC Section 64.1320(c) Compliance Statement.

A copy of this System Audit Report and attachments will also be posted on Integra's website at: [www.integratelecom.com](http://www.integratelecom.com); and will be provided to each facilities-based long distance carrier from which Integra receives payphone calls.

In the event that the Commission or its staff should have any questions concerning this submission, kindly refer them to Integra's undersigned counsel.

Marlene H. Dortch  
April 8, 2005  
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Respectfully submitted,

A handwritten signature in black ink that reads "Michelle W. Cohen". The signature is fluid and cursive, with the first name "Michelle" being larger and more prominent than the last name "Cohen".

Michelle W. Cohen  
for PAUL, HASTINGS, JANOFSKY & WALKER LLP

cc: Darryl Cooper, FCC



1201 NE Lloyd Blvd. Suite 500 Portland, Oregon 97232

Phone: 503.453.8000

Fax: 503.453.8221

Web: [www.integratelecom.com](http://www.integratelecom.com)

April 8, 2005

To Whom It May Concern:

In compliance with FCC 03-235 please find enclosed the independent accountant's report and management's assertions for Integra Telecom and it's wholly owned subsidiaries.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dean Ryland", is written over a horizontal line.

Dean Ryland  
V.P. / Controller

## **Independent Accountant's Report**

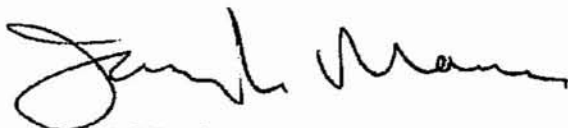
James H. Huesgen  
President and Chief Financial Officer  
Integra Telecom, Inc.  
1201 NE Lloyd Blvd, Ste 500  
Portland, OR 97232

I have examined the Company's payphone compensation administrative processes and procedures for compliance with Federal Communications Commissions Third Payphone Order 03-325 Final Rules. I have tested the companies processes and control for monitoring and tracking payphone compensable messages for compliance with the requirements listed in section 64.1310(a)(1) of the order.

My work included examining, on a test basis, evidence about Integra Telecom's compliance with those requirements and performing such other procedures as considered necessary under the circumstances. I believe that my examination provides a reasonable basis for my opinion. My experience and test procedures are derived from 28 years of Telecom experience, auditing carriers revenue requirement studies, access tariff filings, and carrier access billings systems. My examination does not provide a legal determination on Integra Telecom's compliance with specified requirements.

In my opinion, management's assertion that the company complied with the aforementioned requirement as of March 31, 2005, is fairly stated in all material respects.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joseph Macri', written in a cursive style.

Joseph Macri

Vancouver, WA  
March 31, 2005

## **Integra Telecom, Inc.**

### **Management's Representation to the FCC**

In accordance with FCC Docket No. 96-128, In the Matter of The Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, Report and Order 03-235, management of Integra Telecom has performed an evaluation of the Company's compliance with the requirements of these orders as of the date of this report.

In accordance with the FCC order, we are disclosing the following information:

**1. Criteria for identifying calls originating from payphones**

Integra identifies payphone originated coinless calls utilizing two parameters in accordance with industry standards as follows:

- a. coinless calls with ANI II digit of 27, 29 or 70; and
- b. have received an answer supervision signal.

**2. Criteria for identifying compensable payphone calls**

The current process creates a file of all terminating 800 calls from Integra's toll switch that is used to compare against the numbers received from the PSPs.

**3. Criteria for identifying incomplete or otherwise noncompensable calls**

Incomplete payphone calls that are otherwise noncompensable to the PSP are identified as coinless calls that have not received an answer supervision signal.

**4. Criteria used to determine the identities of the PSP's to which Integra owes compensation**

Integra receives files direct from PSPs and aggregators and processes all files received. Integra's PSP contact information is posted on our website.

**5. The identity of any clearinghouses Integra uses**

Integra does not utilize any clearinghouses in its payphone compensation process.

**6. The types of Information Integra needs from the PSP's in order to compensate them**

Integra requires the following information in a computer readable format:

- a. PSP or Aggregators name, ID, address, contact name and phone number
- b. 10 digit ANI of the payphone

**7. Additionally Integra has completed the following:**

- a. Integra has developed a system to identify and collect completed subscriber toll free payphone calls to completion.
- b. Integra has designated persons within the Company who are responsible for tracking, compensating, and resolving disputes concerning completed payphone calls.

c. Integra has data monitoring procedures to track completed payphone records from call origination through the payphone compensations process.

d. Integra has established internal protocols to ensure that any software, personnel and network changes do not adversely affect the Company's ability to track payphone call records.

e. Integra creates a quarterly compensable payphone call file by applying logic that matches call detail records against ANIs submitted by PSPs.

f. Integra has developed procedures to provide a compensable payphone call file to each PSP that contains the following information:

1. A list of toll-free numbers dialed from each of the PSPs payphones and the ANI for each payphone;
2. The volume of calls for each number identified that were completed by Integra;

3. The name, address and phone number of the person responsible for handling Integra's payphone compensation; and

4. The CIC of all facilities-based long distance carriers that routed calls to Integra, categorized according to the list of toll-free numbers identified in (1) above.

5. Integra operates a closed network environment and as a result does not switch payphone originated calls to other facilities based carriers; therefore, the Company has no intermediate carrier reports to create.

g. Integra has developed and implemented procedures and controls to respond to and resolve disputes.

h. Integra has developed and implemented controls around the payphone tracking process to ensure that errors are insubstantial.

### **Contact Information and Dispute Resolution Process**

Payphone compensation questions and disputes with Integra Telecom can be sent in writing to:

Jeaneen Linn

Integra Telecom

1201 NE Lloyd Blvd, Ste 500

Portland, OR 97232

360-213-1137

Or emailed to:

[jeaneen.linn@integratelecom.com](mailto:jeaneen.linn@integratelecom.com)

Integra Telecom will investigate all disputes and is able to provide further call detail information on the compensable calls listed on a PSPs quarterly payment file if required.

Escalation contact:

Patti Bowie

360-213-1122

[patti.bowie@integratelecom.com](mailto:patti.bowie@integratelecom.com)

**Payphone Compensation  
Dispute Resolution Process**

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Patti Bowie  
360-213-1122  
[patti.bowie@integratelecom.com](mailto:patti.bowie@integratelecom.com)